

Minutes of Finance and Governance Committee
Illinois P-20 Council
Meeting date: May 11, 2011

This meeting of the Finance and Governance Committee was held at the Illinois Community College office at 401 Capitol Avenue on May 11, 2011. Co-Chair Ray Hancock called the meeting to order at 10:50 a.m. Also participating in the meeting: Laurel Prussing, co-chair; D.K.Hirner (for the Lt. Governor), Dan Harris (for Diana Rauner), Michael Johnson, Eric Lichtenberger, Gary Niehaus, Paul Sarvela (for Glen Poshard), P20 staff Ann Courter. Committee members not able to attend: Ron Bullock, Perry Buckley, Linda Chapa LaVia.

The minutes from the April 6 meeting were approved. The P-20 Council meeting on April 27 was reviewed. This committee will request time on the July 27 agenda to present Finance and Governance recommendations.

Ray Hancock reiterated the motion made at the last meeting that the P-20 Council should “take the lead” in Illinois education finance and governance. Laurel Prussing noted that her intent last month was not to tell the legislature what to do or not to do.

The committee reviewed the high priority list again. Michael Johnson noted that local boards are granted much power, allowed to do anything not prohibited by law. He repeated an estimate that forced consolidation would cost the state \$8 billion. He noted that the poorest districts are not the smallest districts. Smaller districts often offer fewer programs and stay within budget and keep reserves.

Eric shared an analysis that highlighted the correlation between teacher academic capital (measured by the IERC Index of Teacher academic capital) and student achievement (measured by composite ACT scores). The correlation indicated that teacher academic capital accounted for roughly 60% of the variance in student achievement--based on the R-square. It should be noted that this inferential analysis did not take into consideration any other factor that could potentially influence student achievement such as a school's: proportion of students falling below the poverty line, proportion of LEP students, and principal characteristics, to name a few. Also, students' prior achievement was not taken into consideration. The IERC Index of Teacher Academic Capital is a composite school-level measure developed by IERC from the percent of teachers with emergency or provisional certification, the percent who failed the basic skills test the first time, teacher mean ACT composite and English scores, and the competitiveness of their colleges, as measured by Barron's.

There was a discussion of the factors that prospective teachers might take into account in deciding which district to apply to, including the safety of the community—salary is not the only factor. It was noted that the state law requirement for school districts to issue pink slips in March before they really know the funding situation can discourage the new teachers who are in the air year after year.

Paul Sarvela suggested that a multivariate analysis might be needed to look at how district funding impacts achievement.

Discussion of how the state (or the P-20 Council) could best impact low-performing districts like East St. Louis and Cairo followed. It was noted that the state board's attempt to take over East St. Louis was blocked by the U.S. Attorney, since an appointed person cannot remove an elected state official; the regional superintendent would need to act. Other routes, including dissolution, or removal of staff or boards, could be explored. Accountability is very important in order for the system to work.

The group agreed that state funding aid to K-12 flat-grant districts and to some community colleges where the money is not really needed might be better spent elsewhere, although political considerations also need to be recognized. Elimination of the hold harmless funding, which was used to offset tax cap limitations, may provide an opportunity to reconfigure funding allocations. There was interest in further exploring the suggestion to divert additional resources, perhaps through a state property tax on utilities and large shopping malls, to the 75-150 financially distressed districts. There is a need to build the sense statewide that "we're all in this together", and build empathy, to make statewide resource-sharing possible.

Two-plus-two-plus-two programs are seen as greatly beneficial to students, but are an area where administrative lack of cooperation has led to obstacles and a lack of uniformity. Some state universities will not accept credits from community colleges to count toward a major. Some community colleges will not award credit for AP or advanced course work completed in high school, while others will. The admissions standard for community colleges varies widely. At some community colleges, it is even possible to earn a degree granted by a 4-year institution if the IBHE approves the courses. Virtual distance learning adds many opportunities for students, but some schools do not make it possible to count them in later programs. It was agreed that this issue would be a good one for this committee to tackle, to call for guidelines across all three systems. Proficiency exams could be part of equalizing the opportunities for students. Iowa has a funding system that might be adapted to ameliorate some of the dual credit issues in Illinois. Note: SB 59 currently pending might help address some of these concerns.

There was support for the idea of building on the streamlining report to look at aligning authority levels in regional offices, to help the state board review preK-12 finances and course offerings, pull together opportunities for federal and state grants, and also provide oversight and coordination for local community colleges. It was noted that special ed rules and services are interpreted very differently in different parts of the state, and that compliance monitoring has been greatly reduced due to budget cuts.

The quality of teacher prep programs, and lack of oversight for principal prep programs, was also a concern. For profit programs from out of state are supplying an increasing number of

candidates downstate. Principal prep programs offered by nonprofits are not overseen by IBHE, since no degree is granted, just certification.

Laurel Prussing offered to write up the priorities into a shorter list based on the discussion.

Eric and Ann reported on finance and governance models from other states and Ontario, Canada.

The next meeting will be June 29 at 10:30 a.m. in Springfield.